

WEST VIRGINIA LEGISLATURE

2026 REGULAR SESSION

**FISCAL
NOTE**

Introduced

House Bill 4397

By Delegates Burkhammer and Pinson

[Introduced January 16, 2026; referred to the
Committee on Government Organization]

1 A BILL to amend and reenact §29-22E-16 of the Code of West Virginia, 1931, as amended,
2 relating to modifying the percentage amount for the privilege of holding a license to operate
3 interactive wagering.

Be it enacted by the Legislature of West Virginia:

ARTICLE 22E. WEST VIRGINIA LOTTERY INTERACTIVE WAGERING ACT.

**§29-22E-16. Interactive wagering revenues; accounting for the state's share of revenue
imposed for the privilege of offering West Virginia Lottery interactive wagering;
limitation of other taxes; recoupment for improvements.**

1 (a) Imposition and rate of assessment. — For the privilege of holding a license to operate
2 interactive wagering under this article, the state shall impose and collect ~~15-25~~ percent of the
3 licensee's adjusted gross interactive wagering receipts from the operation of West Virginia Lottery
4 interactive wagering (hereinafter "privilege tax" or "tax"). The accrual method of accounting shall
5 be used for purposes of calculating the amount of the tax owed by the licensee.

6 (b) Operator revenue reports and payment of privilege tax. —

7 (1) The tax levied and collected pursuant to §29-22E-16(a) of this code is due and payable
8 to the commission in weekly installments on or before the Wednesday following the calendar week
9 in which the adjusted gross interactive wagering receipts were received and the tax obligation was
10 accrued.

11 (2) The licensed operator shall complete and submit the return for the preceding week by
12 electronic communication to the commission, on or before Wednesday of each week, in the form
13 prescribed by the commission that provides:

14 (A) The total gross interactive wagering receipts and adjusted gross interactive wagering
15 receipts from operation of West Virginia Lottery interactive wagering during that week;

16 (B) The tax amount for which the interactive wagering licensee is liable; and

17 (C) Any additional information necessary in the computation and collection of the tax on
18 adjusted gross interactive wagering receipts required by the commission.

19 (3) The tax amount shown to be due shall be remitted by electronic funds transfer
20 simultaneously with the filing of the return. All moneys received by the commission pursuant to this
21 section shall be deposited in the interactive wagering fund in accordance with the provisions of this
22 article.

23 (c) Privilege tax obligation imposed by this section is in lieu of other taxes. — With the
24 exception of the ad valorem property tax collected under chapter 11A of this code, the privilege tax
25 on adjusted gross interactive wagering receipts imposed by this section is in lieu of all other state
26 and local taxes and fees imposed on the operation of, or the proceeds from operation of, West
27 Virginia Lottery interactive wagering, except as otherwise provided in this section. The consumers
28 sales and services tax imposed pursuant to §11-15-1 *et seq.* of this code, the use tax imposed by
29 §11-15A-1 *et seq.* of this code and any similar local tax imposed at the municipal or county level,
30 shall not apply to the licensee's gross receipts from any West Virginia Lottery interactive wagering
31 or to the licensee's purchase of interactive wagering equipment, supplies, or services directly used
32 in operation of the interactive wagering authorized by this article.

33 (d) Acquisition of any system or wagering equipment and other items related to the
34 operation of West Virginia interactive wagering shall be considered "facility modernization
35 improvements" eligible for recoupment as defined in §29-22A-10(b)(2) and §29-25-22(c) of this
36 code.

37 (e) Prohibition on credits. — Notwithstanding any other provision of this code to the
38 contrary, no credit may be allowed against the privilege tax obligation imposed by this section or
39 against any other tax imposed by any other provision of this code for any investment in gaming
40 equipment or for any investment in or improvement to real property that is used in the operation of
41 West Virginia Lottery interactive wagering.

NOTE: The purpose of this bill is to increase the percentage amount for the privilege of holding a license to operate interactive wagering.

Strike-throughs indicate language that would be stricken from a heading or the present law and underscoring indicates new language that would be added.